

IRS**News Release****Media Relations Office****Washington, D.C.****Tel. 202.622.4000****For Release: 1/2/02****Release No: IR-2002-01****NEW CREDITS, SERVICES HIGHLIGHT 2002 FILING SEASON;
IRS ENCOURAGES FRESH LOOK AT E-FILING**

WASHINGTON – The Internal Revenue Service kicked off the 2002 tax filing season Wednesday with new and expanded services, features and credits to help taxpayers. The agency also encouraged taxpayers and tax practitioners to take a fresh look at e-filing following a new study spotlighting the program's growing popularity with users.

This week, more than 40 million tax packages and 23 million computer-filing brochures will begin reaching the nation's mailboxes in advance of the April 15 tax deadline for individuals. In all, the IRS expects to receive about 132 million individual returns this year.

"We are working hard to improve and expand service to taxpayers," said IRS Commissioner Charles O. Rossotti. "We want to take as much of the headache out of tax time as possible. E-filing is better than ever, and I highly recommend that taxpayers and practitioners try it."

Rossotti urged taxpayers to use IRS e-file this year following a new study showcasing the program as an example of high customer satisfaction among government agencies. The American Customer Satisfaction Index placed the satisfaction rate for electronic filers at 77, marking the third year in a row taxpayers using IRS e-file expressed increased satisfaction.

The electronic score helped the IRS post an 11 percent increase in overall customer satisfaction among all individual tax filers since 2000 and a 22 percent increase since 1999. The IRS had the largest favorable gain out of the 30 government agencies surveyed.

In addition, the IRS electronic score came in nearly 7 points higher than the national score for private-sector services.

"The secret is getting out about e-file," Rossotti said. "People who use it like it. It's fast, accurate and dependable and delivers refunds in as little as 10 days."

This year, there's even more to like about e-filing. In all, 29 more forms and schedules have been added to allow access to e-file for virtually all individual taxpayers. An estimated 45 million taxpayers will use the safe, secure e-filing system, which delivers refunds in half the time of paper tax returns. When combined with direct deposit, using e-file delivers refunds in as few as 10 days.

Rossotti encouraged taxpayers and tax practitioners who already use computers to consider e-filing. About 40 million tax returns are prepared on computer but are still sent in on paper. With little effort, these returns could be sent electronically.

(more)

Other highlights taxpayers should watch for as they file tax returns for 2001:

- Higher child tax credit. This year, eligible parents will get a maximum \$600 tax credit per child, a \$100 increase from the previous year.
- Easier problem solving. A new feature on the 1040 form allows a taxpayer to designate a trusted family member, friend or tax professional to talk directly to the IRS about any tax return processing questions. Last year, 37 million filers selected a smaller-scale version of the time-saving feature.
- Tax rate reductions. Due to lower tax rates, most people received an Advance Payment Check last year and will not need to do anything on their 2001 tax returns. However, those who did not get the maximum check amount (\$300, \$500 or \$600 depending on filing status) may be able to get the tax cut benefit on their 2001 returns.

The IRS has added other features to provide taxpayers and tax practitioners with better service. The IRS has adjusted its toll-free telephone service hours to provide assistance during periods of heaviest use. Taxpayer Assistance Centers across the country will provide face-to-face help for resolving taxpayer problems. And tax practitioners will have access to the new Practitioner Priority Service, a nationwide, toll-free technical support system for taxpayers.

More information on these features and an array of other IRS changes is available as part of "News for You 2002." The feature showcases 13 fact sheets highlighting service improvements and changes affecting individual and business taxpayers as well as tax practitioners. The latest updates of "News for You 2002" are posted at www.irs.gov.

As part of this year's efforts, the IRS is redesigning its Web site. The new look, which will be ready later this year, will add new navigation tools and useful information to help taxpayers visit one of the world's busiest Web sites.

"Our web site is evolving to meet the changing needs of taxpayers and tax practitioners," Rossotti said. "We offer fast, free access any time to forms, publications and answers to frequently asked questions."

Rossotti urged taxpayers to get an early start on their taxes and not wait until the last minute.

"Our advice is simple," he said. "Start early, take your time, try e-filing and remember we're here to help."

XXX